

## **Assembly Bill No. 341**

### **CHAPTER 37**

An act to amend Sections 12463, 53891, and 53893 of the Government Code, relating to local government.

[Approved by Governor July 2, 2015. Filed with Secretary of State July 2, 2015.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 341, Achadjian. Financial affairs: reports.

Existing law requires the officer of each local agency, who has charge of the financial records of the local agency, to furnish to the Controller a report of all the financial transactions of the local agency during the next preceding fiscal year within 90 days of the close of each fiscal year, or within 110 days if the report is furnished in an electronic format. Existing law requires the report to include, among other things, the annual compensation of a local agency's elected officials, officers, and employees, as specified.

This bill would require the report to contain underlying data from audited financial statements, as specified, if this data is available. This bill would extend the amount of time in which the report is required to be furnished to the Controller from 90 days to seven months. The bill would also require information regarding the annual compensation of a local agency's elected officials, officers, and employees, as specified, to be submitted to the controller no later than April 30th after the end of the calendar year.

Existing law requires the Controller to, among other things, compile and publish reports of the financial transactions of each county, city, and special district, as specified, on or before August 1, September 1, and October 1, respectively, of each year.

This bill would instead require the Controller to compile and publish reports of the financial transactions of each county, city, and special district on or before November 1 of each year.

*The people of the State of California do enact as follows:*

SECTION 1. Section 12463 of the Government Code is amended to read:

12463. (a) The Controller shall compile, publish, and make publicly available on the Controller's Internet Web site, in a format that may be printed and downloaded, reports of the financial transactions and information on annual compensation, consistent with subdivision (l) of Section 53892, of each county, city, and special district, respectively, within this state, together with any other matter he or she deems of public interest. The reports

shall include the appropriations limits and the total annual appropriations subject to limitation of the counties, cities, and special districts. The reports to the Controller shall be made in the form and manner prescribed by the Controller.

(b) The Controller shall compile and publish reports of the financial transactions of each county, city, and special district pursuant to subdivision (a) on or before November 1 of each year following the end of the annual reporting period. The Controller shall make data collected pursuant to this subdivision available upon request to the Legislature and its agents, on or before April 1 of each year.

(c) The Controller shall annually publish, on the Internet Web site of the Controller, reports of the financial transactions of each school district within this state, together with any other matter he or she deems of public interest. The reports shall include the appropriations limit and the total annual appropriations subject to limitation of the school district. The reports to the Controller shall be made in the time, form, and manner prescribed by the Controller.

(d) As used in this section, the following terms have the following meanings:

(1) "School district" means a school district as defined in Section 80 of the Education Code.

(2) "Special district" means any of the following:

(A) A special district as defined in Section 95 of the Revenue and Taxation Code.

(B) A commission provided for by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1.

(C) A nonprofit corporation that is any of the following:

(i) Was formed in accordance with the provisions of a joint powers agreement to carry out functions specified in the agreement.

(ii) Issued bonds, the interest on which is exempt from federal income taxes, for the purpose of purchasing land as a site for, or purchasing or constructing, a building, stadium, or other facility, that is subject to a lease or agreement with a local public entity.

(iii) Is wholly owned by a public agency.

SEC. 2. Section 53891 of the Government Code is amended to read:

53891. (a) The officer of each local agency who has charge of the financial records shall furnish to the Controller a report of all the financial transactions of the local agency during the preceding fiscal year. The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available. The report shall be furnished within seven months after the close of each fiscal year and shall be in the form required by the Controller. A local agency shall submit to the Controller information on annual compensation, as described in subdivision (l) of Section 53892, for the previous calendar year no later than April 30th.

(b) The Controller shall prescribe uniform accounting and reporting procedures that shall be applicable to all local agencies except cities,

counties, and school districts, and except for local agencies that substantially follow a system of accounting prescribed by the Public Utilities Commission of the State of California or the Federal Energy Regulatory Commission. The procedures shall be adopted under Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. The Controller shall prescribe the procedures only after consultation with and approval of a local governmental advisory committee established pursuant to Section 12463.1. Approval of the procedures shall be by majority vote of the members present at a meeting of the committee called by the chairperson thereof.

SEC. 3. Section 53893 of the Government Code is amended to read:

53893. Upon the completion of the report the legislative body shall either post it in a conspicuous location on its Internet Web site, or cause copies of the report to be prepared and the clerk of the legislative body shall furnish a copy to any person requesting it. A charge not to exceed twenty-five cents (\$0.25) for each copy may be imposed.